36th MEETING

OF THE

MARYLAND HEALTH CARE COMMISSION

Thursday, July 18, 2002
Minutes

Chairman Wilson called the meeting to order at 1:03 p.m.

Commissioners present: Beasley, Crofoot, Ginsburg, Jensen, Malouf, Row, and Zanger

ITEM 1.

Approval of Minutes

Commissioner Ernest B. Crofoot made a motion to approve the Minutes of the June meeting of the Commission, which was seconded by Commissioner Evelyn T. Beasley, and unanimously approved.

ITEM 2.

Update on Commission Activities

- Data Systems and Analysis
- Health Resources
- Performance and Benefits

Ben Steffen, Deputy Director of Data Systems and Analysis, announced that the *Spotlight on Maryland* reports presented at the June meeting were now posted on the Commission's website. For the status of other activities, he referred the Commissioners to the written *Update of Activities.*

Pamela Barclay, Deputy Director of Health Resources, referred the Commissioners to the Health Resources section of the *Update of Activities.*

Enrique Martinez-Vidal, Deputy Director of Performance and Benefits, announced that the Maryland Department of Health and Mental Hygiene (DHMH), in partnership with the Commission and Hopkins School of Public Health applied for and were awarded a $1.23 million HRSA State Planning Grant to study the issue of the uninsured. The overarching goal of this project is to develop a viable, realistic, and effective series of comprehensive coverage expansion strategies that could lead to a reduction in the number of the state's uninsured.

By performing additional analyses of several rich data sources, including a state-specific survey of the uninsured conducted at the end of 2001, conducting a follow-up survey to better understand specific sub-

groups of the uninsured, conducting a survey of MCHP Premium applicants who terminated the application process or were disenrolled, and developing economic models for selected coverage expansion options, the state hopes to build support for and increase the viability of certain coverage options. Additionally, by exploring issues surrounding take-up rates using qualitative research methods, the state hopes to build on the success of two existing employer-based insurance programs, namely, the small group market reform program and the public sector MCHP Premium Employer Sponsored Insurance coverage option. State Planning Grant (SPG) project staff will develop a report to the Secretary of Health and Human Services, outlining an action plan to continue improving access to insurance coverage, including developing recommendations that respond to the SPG's qualitative and quantitative findings and identifying necessary next steps and key partners to respond to the recommendations.

For information regarding the other activities of his division, Mr. Martinez-Vidal referred the Commissioners to the written *Update of Activities*. Copies of the *Update* were available on the documents table and on the Commission's website at: http://www.mhcc.state.md.us/mhccinfo/cmsnmtgs/updates/.

ITEM 3.

PROPOSED ACTION: COMAR 10.25.12, Imposition of Fines

The proposed new regulation chapter will require modification to the following regulations:

- **COMAR 10.24.03,** Maryland Long-Term Care Survey
- **COMAR 10.24.04,** Freestanding Ambulatory Surgical Facilities Survey
- **COMAR 10.24.04,** Hospital Quality and Performance Evaluation System
- **COMAR 10.24.05,** Small Group Market Data Collection
- **COMAR 10.24.06,** Maryland Medical Care Data Base and Data Collection
- **COMAR 10.24.07,** Electronic Health Network Certification
- **COMAR 10.24.08,** Health Maintenance Organization Quality and Performance Evaluation System

Chairman Wilson said that the next agenda item was proposed action related to the Commission's fining authority for the failure to report, or misreporting, of required information. Mr. Martinez-Vidal and C. Frederick Ryland, Assistant Attorney General, presented a summary of the proposed regulations. The purpose of promulgating these regulations is to consolidate and streamline the regulatory procedure for the imposition of fines. Generally, the proposed regulations would permit a maximum fine of $1,000 per day, with a ten-day right of appeal. Mr. Ryland acknowledged the participation of Joel Tornari, AAG, Karen Rezabek, and Amelia Rutledge in the drafting of these regulations. Vice Chairman George Malouf made a motion to approve the proposed regulations, which was seconded by Commissioner Marc E. Zanger, and unanimously approved.

ACTION: COMAR 10.25.12 — PROPOSED PERMANENT REGULATION — Imposition of Fines is hereby RELEASED FOR PUBLIC COMMENT.

ITEM 4.

ACTION — CERTIFICATE OF NEED (CON) Applications

- Gaudenzia of Baltimore, Docket No. 01-24-2093
- Exemption from CON Review: Focus Point at Crownsville Residential Treatment Center

Chairman Wilson said that the next agenda item would be action on two CON applications.

Gaudenzia of Baltimore, Docket No. 01-24-2093

The first application was from Gaudenzia of Baltimore to establish a 30-bed intermediate care facility for substance abuse treatment in Northwest Baltimore. There were three joint applicants, Baltimore City Health Department, Baltimore Substance Abuse Systems, and Gaudenzia, a Pennsylvania based operator. Abe Turay, staff analyst, presented a summary of the application. Gaudenzia, Inc., a Pennsylvania-based, non-profit organization that has provided residential and outpatient chemical dependency treatment services since 1968, prepared the application on behalf of the Baltimore City Health Department and its local substance abuse authority, Baltimore Substance Abuse Systems, Inc. to establish a 30-bed intermediate care facility (ICF) for substance abuse treatment at 4615 Park Heights Avenue in the Pimlico section of northwest Baltimore City.

Gaudenzia sought to establish the 30-bed publicly funded facility in the former 124-bed Greenspring Nursing Home, which was closed as a result of a loan foreclosure in December 2001. The ICF beds will be Track Two beds, defined as at least 50% publicly funded (by the State Health Plan) and occupied by indigent and "gray area" patients. The target population will include chemically dependent clients with co-occurring mental health disorders; chemically dependent persons who are compelled by the court to enter residential treatment; HIV+ and symptomatic AIDS patients, those with hepatitis and other related diseases; and the chronically homeless. Gaudenzia will also provide a Forensic Intensive Recovery Program, which will work closely with corrections, parole and probation, and other agencies supervising clients in the criminal justice system in Baltimore City and the State of Maryland. Staff recommended that the Commission approve the CON. Mr. Turay introduced Mathew Clone, Director of the Gaudenzia facility at Baltimore, and Bonnie L. Cypull, LCSW, President of Substance Abuse Systems, Inc., to the Commissioners. Commissioner Crofoot made a motion to approve the CON, which was seconded by Commissioner Allan Jensen, and unanimously approved.

ACTION: CERTIFICATE OF NEED (CON) for Gaudenzia of Baltimore, Docket No. 01-24-2093 to establish a 30-bed intermediate care facility for substance abuse treatment in Northwest Baltimore, Maryland is hereby APPROVED unanimously.

Exemption from CON Review: Focus Point at Crownsville Residential Treatment Center

Susan Panek, Chief, Certificate of Need, presented the request for an exemption from CON review from Focus Point at Crownsville Residential Treatment Center. Ms. Panek said that the Mental Hygiene Administration (MHA) notified the Commission on May 30, 2002 that it had awarded a contract for the operation of its Focus Point residential treatment center (RTC) at the Crownsville Hospital Center to Adventist HealthCare, Inc. doing business as Potomac Ridge Behavioral Health. As a consequence of the impending change in the licensed operator at the Crownsville RTC, MHA requested that the Commission grant an exemption from CON review for the relocation of four RTC beds from the 92-bed RTC operated by Potomac Ridge at its Rockville site in order to maintain the Crownsville RTC's bed capacity at 26 beds. The Potomac Ridge beds will replace the four RTC beds that were relocated through a 1998 CON exemption from Edgemeade, a facility based in Upper Marlboro that has operated Focus Point since 1996. MHA's

exemption request also included the return to Edgemeade's Upper Marlboro facility of its authority to operate the four RTC beds outplaced at Focus Point since 1998.

The Focus Point program was conceived, and has continued, as a clinically intensive treatment program with a high staff-to-patient ratio and a secure environment. By 1996, MHA had decided to privatize Focus Point's operation and, effective July 1 1996, awarded the first of two three-year contracts to Edgemeade. In the process of developing this year's request for proposals, MHA determined to identify a contractor who could manage all components of the Focus Point program. In a rigorous review process, the Potomac Ridge proposal was found to best meet MHA's model for an integrated treatment program. Since demand for placement in this intensive RTC has remained high, MHA and its new contractor want to continue to operate Focus Point at its full physical capacity of 26 beds. Because MHA's contractors become the licensed operators of the State-owned RTC for the contract period, the Commission has considered proposals to reallocate beds during that period between Focus Point and the contractor's own facility as reviewable under the statutory definition of the terms "consolidation" and "merger".

Staff recommended that the Commission approve an exemption from CON review for the relocation of the four RTC beds, effective July 23, 2002, from the RTC at Potomac Ridge to Focus Point at Crownsville. Ms. Panek introduced Noreen Herbert from MHA and Michael Schemm, Operations Director for Potomac Ridge, to the Commissioners. Vice Chairman Malouf made a motion to approve the staff recommendation, which was seconded by Commissioner Beasley, and unanimously approved.

ACTION: Exemption from CON Review for Focus Point at Crownsville Residential Treatment Center is hereby APPROVED unanimously.

ITEM 5.

PRESENTATION: Healthy People 2010 by Jeanette Jenkins, Director, Office of Local Health, Maryland Department of Health and Mental Hygiene

Chairman Wilson said that following a request from a Commissioner to be briefed on Healthy People 2010, Jeanette Jenkins, Director, Office of Health Policy Community Health Administration, Department of Health and Mental Hygiene, would present a summary of the Health Improvement Plan developed by Health Maryland Project 2010. The national Healthy People 2010 project and Maryland's Project 2010 are based upon findings from extensive biomedical research indicating that the causes of many of the health problems resulting in the ten leading causes of death can be prevented and/or greatly controlled. The primary purposes of these projects are to assist in charting a focused preventive health course, eliminate disparities, and to identify areas for priority attention. The next step will be development of a chart book to annually report on health disparities. Following discussion among the Commissioners and Ms. Jenkins regarding the goals of the projects and lack of funding for local health initiatives, Chairman Wilson noted that there is federal funding available for well-written grant applications. He thanked Ms. Jenkins for her presentation.

ITEM 6.

PRESENTATION: *Annual Report on Licensed Acute Care Hospital Bed Capacity, Effective July 1, 2002.*

Chairman Wilson announced that the next agenda item was a presentation regarding the annual report on licensed acute care hospital capacity for 2003. This report is part of the Commission's annual look at licensed capacity and how it is distributed among hospital services. Patricia Cameron, Chief of Acute and Ambulatory Care Services, presented a summary of the annual report. The initial implementation of new licensing procedures in October 2000 resulted in a statewide reduction in licensed acute care hospital bed capacity of 2,773 beds, or a 23% reduction, reflecting the large number of "paper beds". In each of the

following two years, the total number of licensed beds increased by approximately two percent. The report is available on the Commission's website by at: http://www.mhcc.state.md.us/resources/reports/acutecarehospital/_acute.htm. Chairman Wilson thanked Ms. Cameron for her report.

ITEM 7.

PRESENTATION: *Feasibility of Using Maryland Hospital Data to Study Health Disparities*

Chairman Wilson said that several months ago the Commissioners expressed a desire to follow-up on the Institute of Medicine report on racial disparities in medical care. The Commission issued a task order to Project Hope to assess the suitability of using Maryland data to report on health disparities in a way that would lead to actionable items to address this issue. Dr. Claudia Schur of the Project HOPE Center for Health Affairs presented a summary of the findings. Dr. Schur said that while there is an extensive literature on health care disparities, the approaches to studying disparities are quite varied and do not offer a clear guide to researchers. There is neither an apparent consensus on the "best" conditions to study, nor a superior approach for selecting study conditions. Project HOPE staff suggested that MHCC begin with existing quality indicators and examine whether there are differences in these measures across population groups of interest. In general, in selecting conditions or procedures, overall sample sizes and sample sizes for the subgroups of analytic interest need to be adequate to allow detection of differences or to be able to say with confidence that there are no differences. One possible solution to insufficient sample sizes would be to combine multiple years of data. Project HOPE staff identified a set of indicators that would be "most promising" or "promising" as good candidates for study. Focusing on a small number of the indicators may allow for deeper understanding of mechanisms underlying any disparities found and may also provide greater opportunity to design and implement feasible interventions in response to the study findings. Dr. Wilson thanked Dr. Schur for her report.

Chairman Wilson introduced Dr. Claudia Baquet, Associate Dean of the University of Maryland School of Medicine and asked her to summarize the types of disparity studies being undertaken by the staff of the School of Medicine. Dr. Baquet said that there are potentially rich resources for the study of both inpatient and outpatient cancer patients at the National Cancer Institute. Individual rates of cancer diagnoses are available from the National Institutes of Health. The Cancer Center at the University of Maryland looks at methodologies and cancer data sets. Staff members of the Cancer Center are linking tumor boards through telemedicine and are working to narrow the gap in oncology practice standards. Chairman Wilson noted that there definitely are disparities; however, the key question is developing strategies to address decreasing them. Commissioner Row encouraged staff to work with the University of Maryland School of Medicine in encouraging access to care through the use the HMO reporting system and the cancer indicators. Chairman Wilson suggested that the Commission embellish cardiac studies and determine several other areas to focus upon in alleviating disparities. He thanked Dr. Baquet for her report.

ITEM 8.

Hearing and Meeting Schedule

Chairman Wilson announced that the Commission meeting scheduled for August 15, 2002 had been cancelled. The Hearing and Meetings Schedule was available at the documents table, as well as on the Commission's website. The next scheduled meeting of the Maryland Health Care Commission will be on Friday, September 20, 2002 at 4201 Patterson Avenue, Rooms 108-109, in Baltimore, Maryland at 1:00 p.m.

ITEM 9.

Adjournment

There being no further business, the meeting was adjourned at 2:47p.m. upon motion of Commissioner Crofoot, which was seconded by Commissioner Ginsburg, and unanimously approved by the Commissioners.